Fax: 718-322-7069

P.O. Box 190099 S. Richmond Hill, NY 11419

January 14, 2005

Federal Communications Commission Office of the Secretary 445 - 12th Street, SW Washington, DC 20554

CC Docket No. 02-6

RECEIVED & INSPECTED

JAN 2 4 2005

FCC - MAILROOM

To Whom It May Concern:

This is a request for review of the decision reflected in the Administrator's Decision on Appeal [ADA] - Funding Year 2000-2001 dated November 16, 2004 regarding the following:

Billed Entity Name: Islamic Elementary School

Form 471 Application No.: 196013

Billed Entity No.: 211655

The ADA states that our appeal should be denied because:

"... the service provider had told the school that it would not require payment of the nondiscounted portion if the school was unable to obtain a grant"

and

"Since the service provider did not require the applicant to pay the non-discounted portion and payment was not made, the commitment amounts for the funding requests have been correctly rescinded"

We reiterate and request your review of our grounds for our appeal as follows:

The service provider informed the school that it would provide the funds for the 10% as a grant from the provider itself or a third-party in consideration of the technical expertise that we would supply during implementation, specifically expertise in UNIX systems administration and networking. The service provider also informed us that it wished to establish our school and its innovative thin-client architecture as a showcase for their services to other schools.

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URL: www.ihsanacademy.org E-mail: info@ihsanacademy.org In fact, a physical audit of the systems conducted by the FCC demonstrated to their expressed satisfaction the effective use of our architecture in delivering a broad range of services to our student population. These services include access to both UNIX and Microsoft Windows based learning resources in reading and mathematics, test administration, and multi-media language instruction in addition to Internet access.

Having learned of an in-progress investigation of the service provider we expressed our concerns to the auditors, to which they acknowledged that there was, as of the time of the grant period, no language specifically prohibiting the service provider from being the source of the funds required to be supplied by the school. They also assured us that the objective of the program was to enable service delivery to students and we had clearly demonstrated our success in that regard.

Were the SLD's [Commitment Adjustment Letter] to prevail, the school would be irreparably harmed and the students would necessarily suffer as a result of the inevitable disruption of services. The technology-based learning environment which benefits nearly 400 students is an essential to their education.

The school provided full and invaluable cooperation in the investigation of the service provider. Indeed, we are confident that the United States Attorney would acknowledge that our cooperation was crucial to the success of its prosecution

For these reasons, the school requests your review of the SLD's decision.

Contact regarding this appeal should be addressed to either of the following

Rafeek Mohamed, Principal Al-Ihsan Academy 130-08 Rockaway Blvd South Ozone Park, NY 11420

Phone: 718-322-3154 Fax: 718-322-7069

Email: rafeek ies@yahoo.com

Ismaeel Abdur-Rasheed, Project Consultant 107-28 112th St. 2nd Fl. S. Richmond Hill, NY 11419-2518

Phone: 917-270-6386

Email: ismaeel@acceptable-gains.net

We look forward to a decision that considers the interests of our students, who are the beneficiaries of our excellent technological program.

Very truly yours,
Rafeel Hohamed

Rafeek Mohamed

Principal

Attachments:

- 1. Commitment Adjustment Letter dated April 1, 2004
- 2. Letter of Appeal dated May 25, 2004
- 3. Administrator's Decision on Appeal Funding Year 2000-2001 dated November 16, 2004

RM/ia



Universal Service Administrative Company

Schools & Libraries Divisio

COMMITMENT ADJUSTMENT LETTER

April 1, 2004

Farzana Abdur-Rasheed ISLAMIC ELEMENTARY SCHOOL 130-08 ROCKAWAY BLVD SOUTH OZONE BLVD, NY 11420

Re: COMMITMENT ADJUSTMENT

Funding Year 2000 -2001

Form 471 Application Number: 196013

Dear Applicant:

Our routine reviews of Schools and Libraries Program funding commitments revealed certain applications where funds were committed in violation of program rules.

In order to be sure that no funds are used in violation of program rules, SLD must now adjust your overall funding commitments. The purpose of this letter is to make the adjustments to your funding commitments required by program rules.

FUNDING COMMITMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Report for the Form 471 application cited above. The enclosed report includes a list of the FRNs from your application for which adjustments are necessary. The SLD is also sending this information to your service provider(s), so preparations can be made to implement this decision. Immediately preceding the Funding Commitment Report, you will find a guide that defines each line of the Report.

Please note that if the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the funds disbursed. The amount is shown as Funds to be Recovered. If funds must be recovered, we will be sending your service provider a letter describing the process for recovering these funds in the near future, and we will send a copy of the letter to you. If the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount.

TO APPEAL THIS DECISION:

If you wish to appeal the Funding Commitment Decision indicated in this letter, your appeal must be POSTMARKED within 60 days of the above date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

- 1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
- 2. State outright that your letter is an appeal. Identify which Commitment Adjustment Letter you are appealing. Your letter of appeal must include the Billed Entity Name, the Form 471 Application Number, and the Billed Entity Number from the top of your letter.
- 3. When explaining your appeal, copy the language or text from the Commitment Adjustment Letter that is at the heart of your appeal to allow the SLD to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
- 4. Provide an authorized signature on your letter of appeal.

If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Box 125- Correspondence Unit, 80 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We encourage the use of either the e-mail or fax filing options.

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket Nos. on the first page of your appeal to the FCC. Your appeal must be POSTMARKED within 60 days of the above date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site, or by contacting the Client Service Bureau. We strongly recommend that you use either the e-mail or fax filing options.

A GUIDE TO THE FUNDING COMMITMENT REPORT

Attached to this letter will be a report for each funding request from your application for which a commitment adjustment is required. We are providing the following definitions.

- FUNDING REQUEST NUMBER (FRN): A Funding Request Number is assigned by the SLD to each request in Block 5 of your Form 471 once an application has been processed. This number is used to report to applicants and service providers the status of individual discount funding requests submitted on a Form 471.
- SPIN (Service Provider Identification Number): A unique number assigned by the Universal Service Administrative Company to service providers seeking payment from the Universal Service Fund for participating in the universal service support programs.
- SERVICE PROVIDER: The legal name of the service provider.
- CONTRACT NUMBER: The number of the contract between the eligible party and the service provider. This will be present only if a contract number was provided on Form 471.
- SERVICES ORDERED: The type of service ordered from the service provider, as shown on Form 471.
- SITE IDENTIFIER: The Entity Number listed in Form 471 for "site specific" FRNs.
- BILLING ACCOUNT NUMBER: The account number that your service provider has established with you for billing purposes. This will be present only if a Billing Account Number was provided on your Form 471.
- ADJUSTED FUNDING COMMITMENT: This represents the adjusted total amount of funding that SLD has committed to this FRN. If this amount exceeds the Funds Disbursed to Date, the SLD will continue to process properly filed invoices up to the new commitment amount.
- FUNDS DISBURSED TO DATE: This represents the total funds which have been paid up to now to the identified service provider for this FRN.
- FUNDS TO BE RECOVERED: This represents the amount of Funds Disbursed to Date that exceed the Adjusted Funding Commitment amount. These funds will have to be recovered. If the Funds Disbursed to Date do not exceed the Adjusted Funding Commitment amount, this entry will be \$0.
- FUNDING COMMITMENT ADJUSTMENT EXPLANATION: This entry provides a description of the reason the adjustment was made.

Funding Commitment Report for Application Number: 196013

Funding Request Number 424165

SPIN: 143007419

Service Provider:

Connect2 Internet Networks Inc.

Contract Number: MTM

Services Ordered:

INTERNET ACCESS

Site Identifier: 211655

ISLAMIC ELEMENTARY SCHOOL C

Billing Account Number:

Adjusted Funding Commitment:

\$0.00

Funds Disbursed to Date:

\$20,412.00

Funds to be Recovered:

\$20,412.00

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that the commitment amount for this FRN must be rescinded due to violations of the rules of this schools and libraries support mechanism. Information received from the service provider indicate that the service provider had told the school that it would not require payment of the non-discounted portion if the school was unable to obtain a grant, the school had failed to pay the non-discounted amount, and the service provider collected funds for services that were provided outside of the funding year.

FCC rules require applicants to certify on each FCC Form 471 submitted that they have secured access to all of the resources including computers, training, software, maintenance and electrical connections necessary to make effective use of the services purchased, as well as to pay the non-discounted charges for eligible services (see Schools and Libraries Universal Service, Services Ordered and Certification Form 471, Block 6, item 25, OMB 3060-0806, FCC Form 471). This rule requires the applicant to pay its service provider the full cost of the non-discounted portion owed to the service provider from funds budgeted within that funding year.

Since the service provider did not require the applicant to pay the non-discounted portion and payment was not made, the \$20,412.00 commitment amount for this FRN has been rescinded.

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Funding Request Number 424201

SPIN: 143007419

Service Provider:

Connect2 Internet Networks Inc.

Contract Number: MTM

Services Ordered:

INTERNET ACCESS

Site Identifier: 212216

ISLAMIC ELEMENTARY SCHOOL B

Billing Account Number:

Adjusted Funding Commitment:

\$0.00

Funds Disbursed to Date:

\$20,412.00

Funds to be Recovered:

\$20,412.00

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that the commitment amount for this FRN must be rescinded due to violations of the rules of this schools and libraries support mechanism. Information received from the service provider indicate that the service provider had told the school that it would not require payment of the non-discounted portion if the school was unable to obtain a grant, the school had failed to pay the non-discounted amount, and the service provider collected funds for services that were provided outside of the funding year.

FCC rules require applicants to certify on each FCC Form 471 submitted that they have secured access to all of the resources including computers, training, software, maintenance and electrical connections necessary to make effective use of the services purchased, as well as to pay the non-discounted charges for eligible services (see Schools and Libraries Universal Service, Services Ordered and Certification Form 471, Block 6, item 25, OMB 3060-0806, FCC Form 471). This rule requires the applicant to pay its service provider the full cost of the non-discounted portion owed to the service provider from funds budgeted within that funding year.

Since the service provider did not require the applicant to pay the non-discounted portion and payment was not made, the \$20,412.00 commitment amount for this FRN has been rescinded. Funding Request Number 424283

SPIN: 143007419

Service Provider:

Connect2 Internet Networks Inc.

Contract Number: 1573

Services Ordered:

INTERNAL CONNECTIONS

Site Identifier: 211655

ISLAMIC ELEMENTARY SCHOOL C

Billing Account Number:

Adjusted Funding Commitment:

\$0.00

Funds Disbursed to Date:

\$301,416.30

Funds to be Recovered:

\$301,416.30

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that the commitment amount for this FRN must be rescinded due to violations of the rules of this schools and libraries support mechanism. Information received from the service provider indicate that the service provider had told the school that it would not require payment of the non-discounted portion if the school was unable to obtain a grant and that the school had failed to pay the non-discounted of this FRN.

FCC rules require applicants to certify on each FCC Form 471 submitted that they have secured access to all of the resources including computers, training, software, maintenance and electrical connections necessary to make effective use of the services purchased, as well as to pay the non-discounted charges for eligible services (see Schools and Libraries Universal Service, Services Ordered and Certification Form 471, Block 6, item 25, OMB 3060-0806, FCC Form 471). This rule requires the applicant to pay its service provider the full cost of the non-discounted portion owed to the service provider from funds budgeted within that funding year.

Since the service provider did not require the applicant to pay the non-discounted portion and payment was not made, the \$301,416.30 commitment amount for this FRN has been rescinded.

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Funding Request Number 424338

SPIN: 143007419

Service Provider:

Connect2 Internet Networks Inc.

Contract Number: 1576

Services Ordered:

INTERNAL CONNECTIONS

Site Identifier: 212216

ISLAMIC ELEMENTARY SCHOOL B

Billing Account Number:

Adjusted Funding Commitment:

\$0.00

Funds Disbursed to Date:

\$302,806.80

Funds to be Recovered:

\$302,806.80

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that the commitment amount for this FRN must be rescinded due to violations of the rules of this schools and libraries support mechanism. Information received from the service provider indicate that the service provider had told the school that it would not require payment of the non-discounted portion if the school was unable to obtain a grant and that the school had failed to pay the non-discounted amount.

FCC rules require applicants to certify on each FCC Form 471 submitted that they have secured access to all of the resources including computers, training, software, maintenance and electrical connections necessary to make effective use of the services purchased, as well as to pay the non-discounted charges for eligible services (see Schools and Libraries Universal Service, Services Ordered and Certification Form 471, Block 6, item 25, OMB 3060-0806, FCC Form 471). This rule requires the applicant to pay its service provider the full cost of the non-discounted portion owed to the service provider from funds budgeted within that funding year.

Since the service provider did not require the applicant to pay the non-discounted portion and payment was not made, the \$302,806.80 commitment amount for this FRN has been rescinded.

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130-08 Rockaway Blvd. South Ozone Park, NY 11420 Tel: 718-322-3154

Fax: 718-322-7069

P.O. Box 190099 S. Richmond Hill, NY 11419

May 25, 2004

Letter of Appeal
Schools and Libraries Division
Box 125 – Correspondence Unit
80 South Jefferson Road
Whippany, NJ 07981

To Whom It May Concern:

This is an appeal of the decision reflected in the Commitment Adjustment Letter [CAL] dated April 1, 2004 regarding the following:

Billed Entity Name: Islamic Elementary School

Form 471 Application No.: 196013

Billed Entity No.: 211655

FRN'S: 424165, 424283

Billed Entity No.: 212216

FRN'S: 424201, 424338

The CAL states that funds should be reimbursed because:

"... the service provider had told the school that it would not require payment of the nondiscounted portion if the school was unable to obtain a grant, the school had failed to pay the non-discounted amount and the service provider collected funds that were provided outside of the funding year"

and

"Since the service provider did not require the applicant to pay the non-discounted portion and the payment was not made, the ... commitment amount for this FRN has been rescinded."

The service provider informed the school that it would provide the funds for the 10% as a grant from the provider itself or a third-party in consideration of the technical expertise that we would supply during implementation, specifically expertise in UNIX systems administration and networking. The service provider also informed us that it wished to establish our school and its innovative thin-client architecture as a showcase for their services to other schools.

In fact, a physical audit of the systems conducted by the FCC demonstrated to their expressed satisfaction the effective use of our architecture in delivering a broad range of services to our

URL: www.ihsanacademy.org E-mail: info@ihsanacademy.org student population. These services include access to both UNIX and Microsoft Windows based learning resources in reading and mathematics, test administration, and multi-media language instruction in addition to Internet access.

Having learned of an in-progress investigation of the service provider we expressed our concerns to the auditors, to which they acknowledged that there was, as of the time of the grant period, no language specifically prohibiting the service provider from being the source of the funds required to be supplied by the school. They also assured us that the objective of the program was to enable service delivery to students and we had clearly demonstrated our success in that regard.

Were the SLD's CAL to prevail, the school would be irreparably harmed and the students would necessarily suffer as a result of the inevitable disruption of services. The technology-based learning environment which benefits nearly 400 students is an essential to their education.

The school provided full and invaluable cooperation in the investigation of the service provider. Indeed, we are confident that the United States Attorney would acknowledge that our cooperation was crucial to the success of its prosecution

For these reasons, the school appeals the SLD's decision.

Contact regarding this appeal should be addressed to either of the following

Rafeek Mohamed, Principal

Phone: 718-322-3154 Fax: 718-322-7069

Email: rafeek ies@yahoo.com

Ismaeel Abdur-Rasheed, Project Consultant

Phone: 917-270-6386

Email: ismaeel@acceptable-gains.net

We look forward to a decision that considers the interests of our students, who are the beneficiaries of our excellent technological program.

Very truly yours,

Rafeek Hohamed

Principal

RM/ia

cc: Jonathan Marks, P.C



Universal Service Administrative Company

Schools & Libraries Division

Administrator's Decision on Appeal - Funding Year 2000-2001

November 16, 2004

Rafeek Mohamed Al-Ihsan Academy 130-08 Rockaway Boulevard South Ozone Park, NY 11420

Re: Islamic Elementary School

Re:

Billed Entity Number:

211655

471 Application Number:

196013

Funding Request Number(s):

424165, 424201, 424283, 424338

Your Correspondence Received:

May 25, 2004

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision in regard to your appeal of SLD's Year 2000 Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day time period for appealing this decision to the Federal Communications Commission ("FCC"). If your letter of appeal included more than one Application Number, please note that for each application for which an appeal is submitted, a separate letter is sent.

<u>Funding Request Number(s)</u>:

424165, 424201, 424283, 424338

Decision on Appeal:

Denied in full

Explanation:

• You state on appeal that the service provider informed Islamic Elementary School (the School) that it would provide the funds for the 10% non-discounted share as a grant from the provider itself or a third-party in consideration of the technical expertise that the school would supply during implementation, specifically expertise in UNIX systems administration and networking. The service provider also informed the School that it wished to establish the School and its innovative thin-client architecture as a showcase for the services to other schools. You state that the School expressed concern to the auditors about the service provider, who was under an in-progress investigation. In addition, you state that the auditors acknowledged that there was, at the time of the grant period, no language specifically prohibiting the service provider from being the source of the funds

required to be supplied by the School. You close the appeal by stating that the School provided full and invaluable cooperation in the investigation of the service provider.

- After a thorough review of the appeal and all relevant documentation, it was determined that on December 10, 2002, the Service Provider (Connect 2 Networks Inc.) had prepared a document titled: Voluntary Disclosures and Efforts to determine and address USAC concerns. Within this document, it states that the service provider failed to collect the required payment for the applicant's nondiscounted portion for the above FRNs, and that the service provider had told the School that it would not require payment of the non-discounted portion if the School was unable to obtain a grant. FCC rules require applicants to certify on each FCC Form 471 submitted that they have secured access to all of the resources including computers, training, software, maintenance and electrical connections necessary to make effective use of the services purchased, as well as to pay the non-discounted charges for eligible services (see Schools and Libraries Universal Service, Services Ordered and Certification Form 471, Block 6, item 25, OMB 3060-0806, FCC Form 471). This rule requires the applicant to pay its service provider the full cost of the non-discounted portion owed to the service provider from funds budgeted within that funding year. Since the service provider did not require the applicant to pay the non-discounted portion and payment was not made, the commitment amounts for the funding requests have been correctly rescinded. The Commitment Adjustment Letter that was issued to the School and the Service Provider was justified based on comments made by the Service Provider within the voluntary disclosures documentation. Consequently, the appeal is denied in full.
- The FCC has directed USAC "to adjust funding commitments made to schools and libraries where disbursement of funds associated with those commitments would result in violations of a federal statute" and to pursue collection of any disbursements that were made in violation of a federal statute. See In re Changes to the Board of Directors of the National Exchange Carrier Association, CC Docket Nos. 97-21, 96-45, FCC 99-291 ¶ 7 (rel. October 8, 1999). The FCC stated that federal law requires the Commission to "seek repayment of erroneously disbursed funds" where the disbursements would violate a federal statute. Id.. ¶¶ 7, 1. The FCC stated that repayment would be sought "from service providers rather than schools and libraries because, unlike schools and libraries that receive discounted services, service providers actually receive disbursements of funds from the universal service support mechanism." Id. ¶ 9.

If you believe there is a basis for further examination of your application, you may file an appeal with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington,

DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division Universal Service Administrative Company